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Fifty-Year Milestone for U.S. Soybeans

U.S. Seed Exports

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A northwestern U.S. farmer admires his crop of wheat grass grown for seed. For the story of U.S. seed exports see article beginning page 7.

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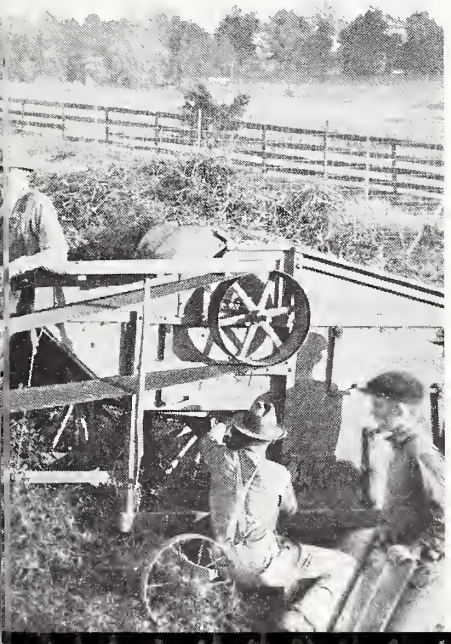
The Soybean and ASA—Fifty Years Of Growing Up Together

When soybeans and ASA were young—local farmers harvesting Laredo soybeans at Mississippi State University about 1920.

Shown at left are two of the many varieties of soybeans grown by farmers throughout the United States.

The soybean's is a true American success story—a lowly immigrant which took to U.S. soil and in an incredibly short time grew to represent three-fourths of the world's production and about 90 percent of its soybean trade. However, the meteoric rise of the soybean from forage crop to No. 1 export crop would not have been possible without the efforts of the American Soybean Association (ASA), now celebrating its 50th anniversary.

When approximately 1,000 growers attended the first "Cornbelt Soybean Conference" held in Indiana on September 3, 1920 and decided to form a soybean organization, U.S. production of soybeans was just a few million bushels.



Soybeans had been known in America since 1804 when a few bags were brought from China as a reserve food supply in the hold of a Yankee Clipper. Civil War soldiers carried them as "coffee berries," using them to brew coffee when the real thing became scarce. After the turn of the century they were grown mostly for hay and forage with some being harvested as seed.

USDA undertook some initial soybean research projects in 1898 and recorded the first soybean statistic in 1919 with a report that there had been 99,000 acres of U.S. farmland planted in beans during that year. Of the 1,782,000 acres planted in 1924, only 448,000 or 25 percent were harvested for beans; it wasn't until 1941 that the bean harvest surpassed that grown for forage and all other purposes.

The soybean received its first real impetus for expansion during World War I when there was such a shortage of fats and oils in the United States that it was necessary to import Manchurian soybean oil. During World War II the U.S. soybean came into its own as restrictions on imports of oils and proteins from traditional world sources stimulated domestic production. Up until that time the United States had been importing two-fifths of all its fats and oils. Production of U.S. soybeans increased from 78 million bushels in 1940 to 201 million bushels in 1946.

An abundant supply of soybeans at home, coupled with the world food shortage, resulted in the beginning of soybean exports. In 1948-49 the United States began to switch from being a net importer of oils, proteins, and oilseeds to a net exporter. In that year 23 million bushels of soybeans were exported.

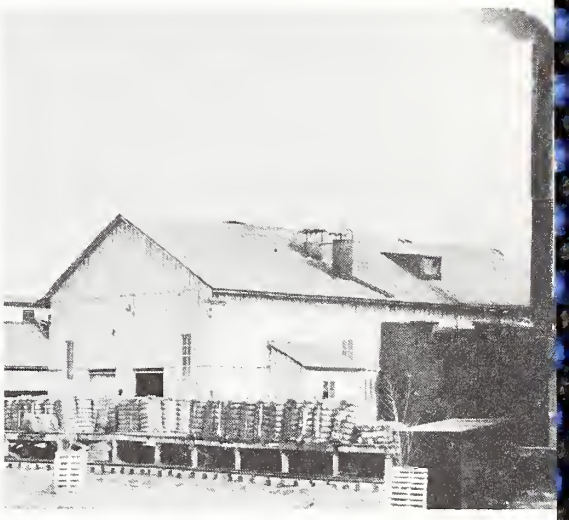
The growth of ASA has paralleled the rise of the soybean. Over the past 50 years ASA has evolved from a small organization to an association with grower members in 47 States and 90 foreign countries. It is affiliated with 17 State associations, and has four overseas offices with a fifth scheduled to open in Rotterdam in January.

ASA has nurtured, protected, and promoted the soybean. As early as 1930 an ASA delegation traveled to Washington to seek protection for the young crop. They obtained duties on soybeans, oil, and meal imported from Manchuria.

In 1956 ASA signed a contract with USDA's Foreign Agricultural Service to cooperate in soybean market development work in Europe and Japan. This was the first such contract for overseas promotion of any U.S. farm commodity. Out of the effort came the Japanese-American Soybean Institute and the Soybean Council of America (a joint effort of ASA and the National Soybean Processors Association).

A year ago the Soybean Council was disbanded and the American Soybean Institute (ASI) was organized as the funding organization for market development work. ASI's first contract is with ASA and calls for the expenditure of $1.6 million for market development projects in Japan and 16 other countries.

Since market development work started in 1956, soybeans have enjoyed an export surge. Sales to Japan alone soared from 22 million bushels in 1956 to 81 million in 1969.



The first plant to process U.S. soybeans was located at Elizabeth City, N.C.

Europe and Asia have provided outlets for a steadily expanding volume of U.S. soybeans. This is true primarily because Japan, Taiwan, and a few European countries have been "growth" markets for soybeans, and the United States has been the dominant supplier of soybeans to those markets, sharing in their growth.

Last year soybeans ranked as the nation's No. 1 agricultural export with a total value of over $1.4 billion. Of this only about $90 million represented soybean oil moving under Public Law 480; the overwhelming part represented commercial sales of soybeans and soybean meal.

U.S. SOYBEANS, OIL
MIXED FUTURE IN

By CALVIN S. SPILSBURY
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From the Caribbean Sea on down around the west coast of South America, markets for U.S. soybeans, soybean meal, and soybean oil are showing both favorable and unfavorable prospects. Six countries in particular—the Dominican Republic, Venezuela, Colombia, Ecuador, Peru, and Chile—illustrate this good-bad mixture.

On the plus side for the group in general is what one Chilean feed mixer terms an "exploding" poultry industry, offering a substantial potential market for soybean meal. Also a plus is the growing consumption gap for edible oils, with domestic supplies down in several countries and needs up as populations and incomes both increase.

On the minus side is the marked success of oilseed self-sufficiency programs in Colombia and Venezuela, both important markets for U.S. vegetable oils and oilseed. Other Latin American countries too have plans to achieve self-sufficiency in fats and oils, but as yet they have not succeeded because basic food crops compete for land. Another minus is tight government control of soybean and soybean meal imports in most of the countries. Despite strong demand among crushers and feed mixers in the area, access by U.S. beans and meal is severely limited by government regulations.

At top, oil palm trees in Colombia; at center, an important new soybean crushing plant in the Dominican Republic; at bottom, 30-pound drums of blended soybean oil in Venezuela.

Soybeans and oilseed crushing

Until this year, Venezuela was the only one of the countries crushing U.S. soybeans. But most of the other countries—except Colombia, which has developed its own soybean crop for crushing—are showing great interest in U.S. soybeans, mainly because feed mixers are demanding that their governments help them obtain soybean meal. Thus, we may see many of the barriers against importing soybeans or soybean meal removed. First to act has been the Dominican Republic, which in September received the first shipments of U.S. soybeans for its new solvent-extraction plant.

Modernization and technical development of the oilseed crushing and refining industries in the area has been underway for the last 10 to 15 years, and the present crushing capacity of each country is rising. New solvent-extraction crushing plants, refineries, and margarine and shortening plants have been built only recently. Many of the crushing plants could be converted to soybeans with few changes. In Venezuela, a solvent-extraction plant of the Lurgi type, capable of handling 160 tons of soybeans a day, has been crushing 40,000 tons of U.S. soybeans annually for several years.

Total crushing capacity in the six countries has reached nearly 2 million tons. Much of the equipment is of the pre-

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press solvent-extraction type used for high-oil-content copra, cottonseed, sunflowerseed, sesame, and rapeseed; and many of the area's solvent-extraction plants are operated on prepressed cake—mainly cottonseed, peanut, sesame, and rape. Not counted in the total for most countries are the many low-capacity small mills; Colombia is reported to have 25.

Soybean meal and the poultry industry

In the Caribbean area and in most of the west coast South American countries, broiler industries have been rapidly increasing. American and Canadian broiler concerns and feed firms—particularly several with large soybean-crushing operations in the United States—are developing modern Caribbean operations; and where access problems have been solved, U.S. soybean meal has found small but growing markets. But in the South American countries, U.S. sales of soybean meal are nominal except for some that moves there in premixed feeds. Soybean meal in the qualities required for proper poultry and livestock nutrition is scarce; and in most countries the little that is available is doled out carefully in broiler feeds.

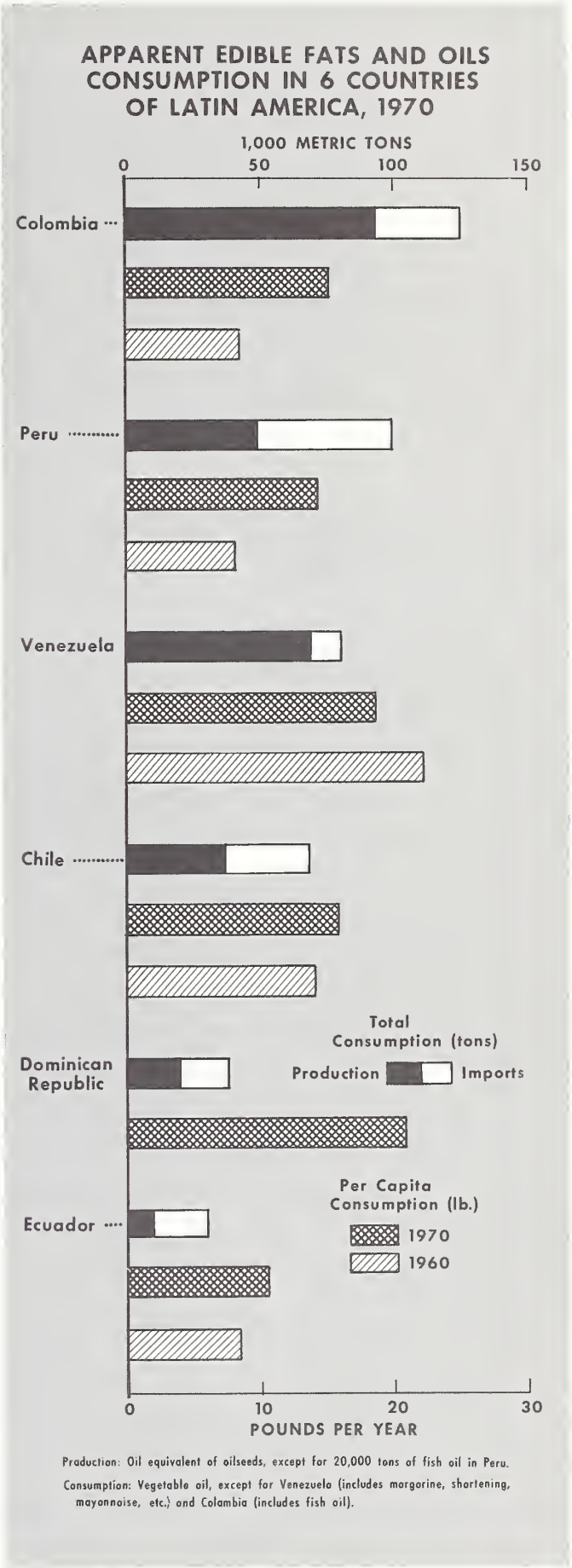
The prospects and problems of U.S. soybean meal in the six countries presented the following variegated picture:

- **The Dominican Republic** is at present producing only around a million broilers, and its market for soybean meal is limited to around 3,000 tons for this industry and for layers, hogs, and other livestock. Nevertheless, the market is growing and a larger potential will probably develop if the country achieves political stability.
- **Venezuela,** which grows nearly 54 million broilers (one large firm produces 30 million chicks to distribute each year), has a soybean meal consumption of around 50,000 tons a year, mostly produced from U.S. soybeans. Soybean meal is used at a rate of only 10 to 15 percent, however, and because of the scarcity of domestic materials, feed quality is often questionable. More soybean meal is needed, according to feed mixers.

Total mixed feed production in 1969 was 550,000 tons, including 365,000 tons of poultry feed and 120,600 of hog feed. Production in 1970 is expected to be around 600,000 tons. One firm dominates the industry, with a capacity of 600 tons of mixed feed a day at the largest of its two plants and a total output of around 35,000 tons a month.

- **Colombia**—important to U.S. soybean interests not as a market but as a competitor—will produce about 550,000 tons of complete feeds in 1970, using 50,000 tons of meal from domestically produced soybeans. It has six large plants producing mixed feed, 80 percent of which is for poultry. Colombia's broiler production is well over 15 million birds a year, and 45 million are projected for 1980.

The soybean is a new crop for Colombia, but production—chiefly in the Cauca Valley—has already reached 100,000



Crushing Capacity Of Six Nations In Latin America

Country	Type of mill				Estimated total crushing capacity	Estimated rate of operation
	Hydraulic	Screw-press	Solvent[1]	Total[2]		
	Number	*Number*	*Number*	*Number*	*Metric tons*	*Percent of capacity*
Chile	—	4	5	10	300,000	35
Colombia	—	6	5	11	500,000	60
Dominican Republic	—	2	1	3	180,000	30
Ecuador	—	6	1	7	50,000	36
Peru	[3]7	2	5	14	300,000	55
Venezuela	—	8	5	13	450,000	40
Total or average	7	28	22	58	1,780,000	46

[1] Most are prepress-solvent plants having prepressing equipment, whose capacity is included in total. [2] Not including palm oil or fish reduction mills. [3] Reported 1964.

tons, compared with 22,500 in 1962, though it will probably fall back to 90,000 this year. Colombian mills have been active in supplying Peru, Chile, and several Caribbean countries with soybean meal at prices that are highly competitive with those of U.S. meal. If they stay competitive, sales of U.S. meal to those countries that now buy it may well be held to present levels.

• **Ecuador** is the only country of the six that has not yet developed its feed or poultry industries. Broiler production is just beginning; so is feed mixing (one U.S. firm has a small mill in Guayaquil, with a capacity of 5 tons per hour). However, one crusher with a new solvent mill is working with the Government to obtain U.S. soybeans for crushing and provides some meal for the feed industry.

• **Peru** has a rapidly developing poultry industry, producing around 32 million broilers with 58 million projected for 1975. It also has around 4.3 million layers. Peru's mixed feed industry is also developing rapidly: production (mostly poultry feeds) is expected to total 347,000 this year. Despite the country's tremendous production of fish meal (nearly 2 millions tons a year), the mixed feed industry is now using some soybean meal in broiler feeds, to a maximum of 5 to 10 percent when available. One reason is reported to be an attempt to cut down on salmonella infection, said to result from heavy use of fish meal. Another is to improve the flavor of the broilers and eggs produced. Fish meal has been reduced from 14 percent to 5 or 6 percent in some poultry feeds. Degossypolized cottonseed meal (with gossypol, an element harmful to nonruminants, removed) is being used along with soybean meal.

Soybean meal is hard to come by in Peru, however. It is often imported from Colombia and from the United States in mixed feeds. But so far, only around 3,600 metric tons, or 300 tons of 50-percent soybean meal per month, have been authorized for imports.

• **Chile** boosted its broiler production from 18 million birds in 1966 to 32 million in 1969, and the forecast for 1970 is 38 million. Poultry meat consumption is now around 49,800 tons, or 11 pounds per capita per year. Catering to this poultry "explosion," about 75 percent of the 520,000 tons of feed manufactured annually is for broilers and poultry. Several U.S. firms active in the feed industry predict an excellent future in Chile for soybean meal.

However, regardless of the industry's need for 5,000 tons a month or 60,000 tons a year of soybean meal, imports are at present still curbed by access problems. The industry has petitioned the Government for soybean meal, but only a few shipments have been obtained (6,000 tons from Colombia). Availability of this Colombian meal clouds the future for U.S. meal. So does a report by a Taiwan research team that Chile's soybean self-sufficiency program—thus far largely a failure—may succeed, closing this potential market before it ever really opens up for the U.S. trade.

Soybean oil and the consumption gap

The U.S. soybean oil market in the area is large; in all the countries but Venezuela and Colombia, production of oilseeds is lagging, and needs for fats and oils—even at the low per capita rate characteristic of the area—are outstripping domestic supplies. To fill this gap, more cash soybean oil is flowing from the United States. Latin American consumers find this oil highly acceptable, particularly when used in hydrogenated products like margarine and shortening and used in blends with local vegetable oils. In addition, sales under U.S. Government programs are still helping some of the countries supplement local vegetable oil supplies.

U.S. soybean oil has been lower in price than sunflower and peanut oils—a fact that has boosted South American soybean oil takings—both cash and government program—close to a record in this marketing year, with a total of more than 140 million pounds.

If all oil import needs in the Dominican Republic and in the five west coast South American countries were to be filled by soybean oil and cottonseed oil, the total could reach 150,000 tons. But by country, the picture varies.

• **The Dominican Republic,** with a short peanut crop underway owing to drought at planting time and excess rains at blossom time, will need U.S. soybean oil this year. The Government representative of the Price Stabilization Institute expects imports of around 18,000 tons of soybean or peanut oil—mostly soybean, because of price.

• **Venezuela** has produced a large sesame crop this year—120,000 to 130,000 tons compared with 82,000 harvested in

(Continued on page 12)

U.S. seed exports hit a record $55 million during fiscal 1969-70—surpassing the 1968-69 high by $14.2 million. Grass and legume seeds accounted for 40 percent of total U.S. exports—with world demand on the upsurge.

Expanding World Markets Make U.S. Seed Exports The Growing Thing

By JACK WELLS
Grain and Feed Division, FAS

Like Jack's beanstalk, U.S. seed exports keep shooting up. During fiscal 1969-70, exports hit a record $55 million—surpassing the 1968-69 high of $40.8 million by $14.2 million. Included in this total for the first time were grain sorghum seed exports totaling $3.5 million.

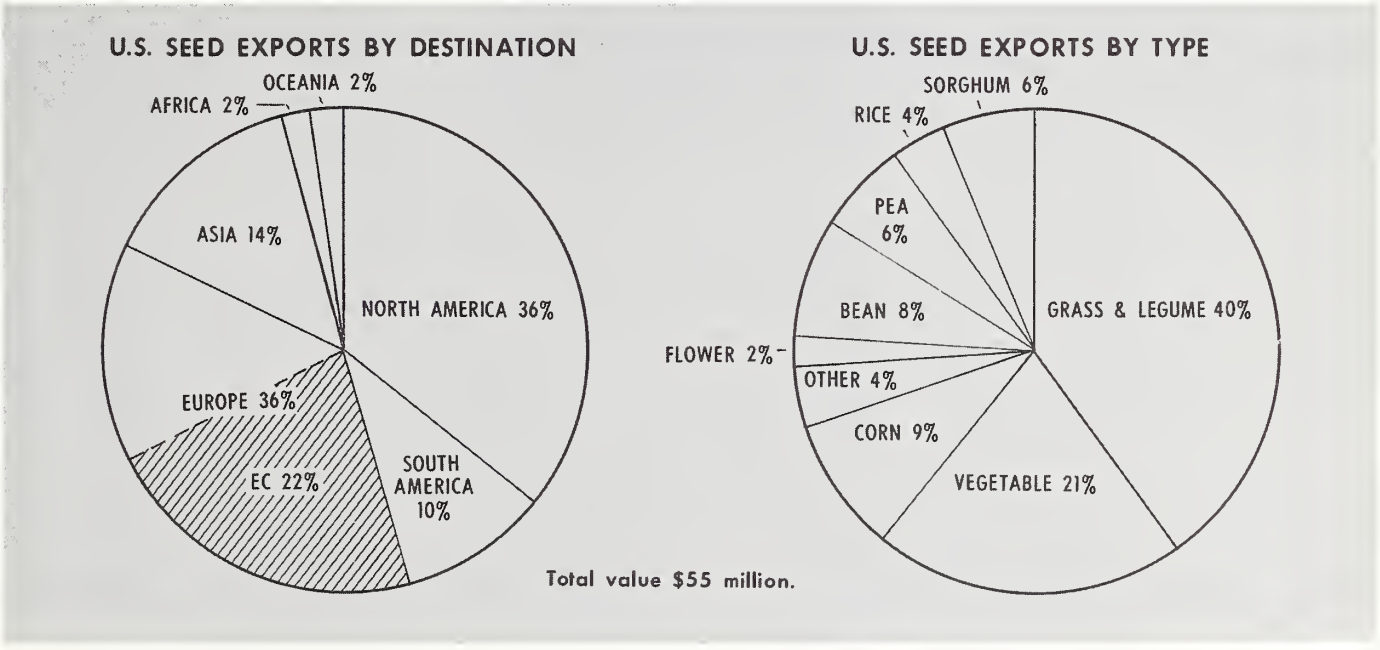
U.S. seeds traveled to all corners of the globe. During FY 1969-70, 36 percent of total exports went to North America; another 36 percent to Europe; 13 percent to Asia; 10 percent to South America; 2 percent to Africa; and another 2 percent to Oceania.

Canada continued to be the top single-country market, taking seeds valued at $11.1 million (20 percent of total U.S. exports), and almost equaling total purchases of $12 million (21.8 percent) by the European Community. Mexico took $7.3 million and Japan was next with imports totaling $5.6 million.

The world market for high quality **grass and legume seeds** has been expanding as a result of dairy and livestock promotion programs, increased use for private lawns, public recreation areas, and highway beautification programs. Grass and legume seeds accounted for 40 percent ($21.8 million) of total U.S. seed exports. Canada purchased $6.2 million. Japan was second with $3.1 million. Total European imports increased to $8.3 million including EC purchases of $4.4 million.

Growing world markets for fresh and processed vegetables kept **vegetable seed** sales on the upsurge. During 1969-70 total vegetable seed exports reached $11.7 million, 15 percent above the previous year's total, and accounted for 21 percent of total seed sales. Mexico and Canada were the largest markets, importing $1.4 million and $1.2 million respectively, while EC purchases totaled $2.1 million. The Philippine Republic had purchases valued at $393,000, more than double last year's imports of $167,000.

Corn seed exports reached a new



Above, developing new varieties of onion seed; below, harvesting bluegrass seed in Kentucky.

peak value of $4.7 million—$1.3 million above the 1968-69 level. Canada and Italy each took $1.2 million worth and Mexico $1 million.

Bean seed exports soared 69 percent to a new record of $4.6 million. The rise was partly due to short seed crops in other bean seed exporting countries. Canada, the United Kingdom, the European Community, and Mexico were the principal markets.

Grain sorghum seed exports totaled $3.5 million. Mexico was the principal importer, purchasing $1.6 million or 46.5 percent of total U.S. exports. Japan and Canada were also important markets for grain sorghum seed.

Through unique research, production, and marketing, the U.S. seed industry keeps seed quality at a high level and assures growing exports. Favorable combinations of climate and soil for specific crops determine the location of research stations and production fields where highly trained specialists develop and produce new varieties of seed.

In breeding new varieties many factors must be considered, including resistance to disease, insects, and drought; a shift in nutritional properties; increased yields; and shorter or earlier harvest periods.

The effects of geographic location or elevation on seed production and possible changes in later plant generations have been studied in cooperation with foreign industry and government research stations. This enables U.S. producers to assure foreign breeders and seed importers that seed of most foreign crop varieties produced in the United States will be genetically the same as seed produced in the country of origin.

The American Seed Trade Association in cooperation with the Foreign Agricultural Service of USDA conducts an active overseas marketing program on behalf of the industry. Foreign seed officials and traders are invited to take a first-hand look at U.S. seed research and production in action. A 10-man Japanese seed team recently spent 2 weeks surveying the U.S. industry, stopping in California, Oregon, and Washington, D.C.

U.S. specialists also visit specific markets to observe acceptance of U.S. seeds and determine how market requirements can be met more effectively. An industry representative stationed in Brussels, Belgium, keeps U.S. Agricultural Attachés stationed in Europe and U.S. industry at home aware of changing market conditions and requirements and services European importers and users of U.S. seeds.

Joint government-trade negotiations and international meetings have been directed to less restrictive import requirements and realistic quality standards to assure free international trade in quality U.S.-produced seeds.

U.S. SEED EXPORTS

Variety	1965-66		1966-67		1967-68		1968-69		1969-70	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 lb.	*1,000 dol.*	*1,000 lb.*	*1,000 dol.*	*1,000 lb.*	*1,000 dol.*	*1,000 lb.*	*1,000 dol.*	*1,000 lb.*	*1,000 dol.*
Grass and legume	68,329	18,718	68,302	18,466	60,462	16,087	58,579	16,776	71,481	21,819
Seed corn	25,492	2,801	21,426	2,445	23,960	2,760	28,546	3,373	46,882	4,710
Vegetable	7,249	6,977	7,227	8,084	7,969	9,285	8,995	10,140	10,761	11,666
Flower	476	1,038	429	1,225	561	1,193	546	1,157	685	1,331
Rice (paddy)	16,629	1,444	15,596	1,384	21,363	1,907	19,776	1,746	22,165	1,944
Bean	7,186	1,663	6,571	1,828	10,856	2,708	10,290	2,712	18,223	4,574
Pea	25,498	2,572	27,313	2,707	24,898	2,506	31,337	2,793	28,345	3,102
Grain sorghum	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	61,536	3,523
Other	26,656	3,606	14,440	2,582	14,678	2,391	11,884	2,144	9,818	2,378
Total	177,515	38,819	161,304	38,721	164,747	38,837	169,953	40,841	269,895	55,048

[1] Not available.

Foreign Spinners Tour U.S. Cotton Belt

Left, the Far Eastern team visits the Washington office of the National Cotton Council. Below, the European team in Memphis.

Two teams of cotton spinners, representing major cotton importing countries in the Far East and Europe, got an in-depth view of U.S. cotton this fall on tours sponsored by the Cotton Council International, in cooperation with the National Cotton Council and the Foreign Agricultural Service of USDA.

As part of the U.S. cotton market development export program, the tours are designed to better acquaint foreign cotton importers and users with how U.S. cotton is bred, grown, harvested, ginned, handled, and marketed.

The Western European team, which visited from September 20-October 8, was comprised of 13 spinners from Austria, Belgium, France, West Germany, Italy, Norway, Sweden, Switzerland, and the United Kingdom. (Top picture shows the European team in Memphis; clockwise at table Richard Walsh of Switzerland, Niccolo Ferrari of Italy, Finn Karlsen of Norway, and D. W. T. Hague of England.)

The Far Eastern team, which visited from October 18-November 5, comprised 13 spinners from Hong Kong, India, Indonesia, Japan, Philippines, South Korea, South Vietnam, Taiwan, and Thailand. (Facing camera in picture at right are team members (l-r) Fumio Kameoka, Makoto Nakamura, Ismaoen Djojosubroto, and Francisco Lopez.)

Both teams visited cotton producing and marketing centers in Memphis, Tenn.; Greenwood and Greenville, Miss.; New Orleans, La.; Houston, Dallas, Lubbock, and El Paso, Tex.; Phoenix, Ariz.; Bakersfield and Fresno, Calif.

Canada Plans Changeover to New Rapeseed Variety

The dispute over using rapeseed oil as a component of margarine and similar food products has brought action both from the Canadian Government and from an international rapeseed congress, the first ever held. The problem is whether or not erucic acid (a major element of rapeseed oil) is hazardous to health.

The International Conference on the Science, Technology, and Marketing of Rapeseed and Rapeseed Products—at the end of a 3-day session in Ste. Adele, Quebec—recently affirmed the organization's belief that rapeseed oil is not hazardous to health. It said that rapeseed oil—now and throughout the long history of its use—has never constituted a hazard to the health of its consumers. The conference was attended by 450 scientists, commodity traders, and breeders from 20 countries. The focus of the sessions was on rapeseed meal.

The Canadian Government, however, is undertaking to get farmers to change from varieties of rapeseed they now plant to kinds that contain little or no erucic acid. Canadian rapeseed oil contains 25 to 30 percent of the acid, while oil from some European rapeseed contains as much as 50 percent.

The debate started when nutrition researchers in Europe said their tests indicated that laboratory animals had developed fatty deposits in the heart—and sometimes heart lesions—when fed large amounts of rapeseed oil containing high percentages of erucic acid. Other tests in Canada revealed similar findings when rapeseed oil was fed to infant rats, but not when fed to adult rats.

In announcing the changeover campaign, Canadian health officials said there was no reason to believe rapeseed oil harmful to humans and that they have no plans to remove foods containing the oil from the market.

Other actions, some unconfirmed, include the phasing out of rapeseed oil for the manufacture of margarine and similar products in a number of countries. Crushing plants in Sweden decided to curb rapeseed oil used in margarine production by about 6 percent. There are reports that similar action is being taken in France and that Italy is discussing it.

A gradual switch to the new varieties of rapeseed is expected in many producing countries in the next few years. Canada recently announced development of the world's first erucic-acid-free variety of rapeseed, known as "canbra."

Meanwhile, the Canadian press has announced that Canada is field testing a second variety in California.

During the transition period Canada will continue to grow regular rapeseed varieties. The Canadian Government plans to have the country's whole rapeseed crop switched to erucic-acid-free varieties by 1972.

As of the last week in October, Canada had exported 3.3 million bushels of rapeseed during the crop year just past (August 1-July 31), a little more than during the comparable period a year ago.

Senegalese woman stoops to pick cotton. Commercial cotton production, begun in 1963, has been largely a success

Senegal Works To Diversify Its One-Crop Economy and Up Output

By MARGARET B. MISSIAEN
Foreign Regional Analysis Division
Economic Research Service

Senegal, wedged between Mauritania and Guinea on Africa's West Coast, is engaged in a constant struggle against economic difficulties. Not the least of these is caused by the country's dependence on one cash crop—peanuts—a major concern of Senegalese leaders since France granted the country independence in 1960.

Peanuts have been the mainstay of the Senegalese economy since the beginning of this century, after introduction by the French in the mid-19th century to satisfy Europe's growing demand for vegetable oil. Occupying half of Senegal's cultivated area, peanuts generate two-thirds of the cash income in agriculture and account for about 75 percent of the total value of exports. (According to Senegal's National Account data, from 1965 to 1968, the value of agricultural production, of which 38 percent was peanuts, averaged 31 percent of gross domestic product.) After India, Mainland China, and Nigeria, Senegal is fourth as a world producer.

But production has been declining steadily since 1967. Exports of peanuts and peanut products (oil and meal) have decreased markedly while total imports have increased. Aggravating the country's problems with a one-crop economy was the breakup in 1960 of the territories composing French West Africa, costing Senegal its position as the area's administrative and industrial center and cutting its industrial market from 20 million to 3.5 million people.

With fewer exports and more imports, Senegal's chronic trade deficit has increased markedly in recent years. A record peanut crop in 1965 cut the deficit to only $6.1 million, but it has increased every year since then (to $72.1 million in 1969) as the value of peanut exports stagnated and declined. Although the volume of peanut exports did increase in 1968, lower prices kept the value at approximately 1967's level.

During 1969, the situation was reversed. The sharp decline in export volume between 1968 and 1969—shelled peanuts from 243,000 tons to 96,000 tons, peanut oil from 198,000 tons to 116,000 tons, and peanut cake from 249,000 tons to 189,000 tons—was offset somewhat by a rise in world prices. Even so, the value of Senegal's peanut and peanut product exports fell from almost $109 million in 1968 to less than $70 million in 1969. Peanuts and products dropped from 78 percent of total exports in 1967 to 72 percent in 1968 and 55 percent in 1969.

Peanut production declines in recent years were first attributable to poor weather; but despite favorable rainfall in 1969, Senegal produced its smallest crop since 1956—800,000 tons. The decline was due partly to diverting former peanut land to food crops as well as reducing the use of fertilizer—only 12,000 tons of fertilizer were applied to peanuts in 1969 compared with 24,000 tons in 1968 and 51,000 in 1967.

Both of these factors are a direct consequence of the prevailing price structure for peanuts in Senegal. Until 1963-64, Senegal enjoyed a high guaranteed price on the French market, a preference that was gradually reduced and finally abolished in 1967-68. The Government then attempted to bring producer prices more in line with the world price and to control peanut marketing.

However, incentives to farmers have been insufficient to maintain production at the mid-1960 level of more than 1 million tons. First, the official price paid to producers was gradually reduced from 3.8 cents per pound for the 1965-66 marketing season to 3 cents per pound in 1969-70. (The Senegalese currency, the CFA franc, was devalued from 247 francs to 278 francs per U.S. dollar in August 1969.) Then, recently, 5 percent of the producer price was withheld pending a check on peanut quality and an examination of the marketing cooperative debts. The average price actually paid to producers in 1967-68 and 1968-69 was about 96 percent

of the official price. In addition, the price of fertilizer had increased by one-third from 1965 to 1968, although in 1969 it was down to the 1965 level.

One consequence of these actions was a rapid deterioration in farmers' incomes. With about 600,000 tons of peanuts marketed in 1968-69, farmers' cash income was estimated at $40-45 million, less than 70 percent of the amount received in 1963-64. Also, during the 1967-68 marketing season, a new system was introduced, whereby farmers were paid promissory notes instead of cash. Cash payments were made several months later, after accounts of the marketing cooperatives were verified. This measure was very unpopular with farmers; many notes were traded at a loss by growers who needed cash. During the same period, collection of debts on purchases of fertilizer and equipment was stricter. The resulting financial squeeze on farmers caused equipment and fertilizer sales to fall sharply.

In an attempt to reverse the declines in peanut production and farm income, the Government changed its policies to provide greater incentives to producers. Cash payments were reinstituted during the 1969-70 season. For 1970-71, the producer price has been raised to 3.2 cents per pound for the major peanut growing areas. Steps have also been taken to make the marketing system more efficient. However, it is too early to determine what effects, if any, these measures have had on the peanut crop that will be harvested this winter.

In order to lessen Senegal's dependence on a single cash crop, diversification efforts have been underway for several years. One of the most successful has been commercial cotton production, introduced under a French assistance grant in 1963. Under the supervision of Compagnie Francaise pour le Developpement des Fibres Textiles (CFDT), total production rose to an estimated 11,500 tons of seed cotton in 1969—about enough to meet local manufacturing needs. Spinning and weaving mills now manufacture a wider variety of cotton goods for export and local use.

CFDT supplies cotton farmers with fertilizer, insecticide, sprayers, and treated seed and is responsible for marketing the crop. The 1974 production goal is 50,000 tons of seed cotton; the surplus is to be used for export mainly to France and the European Community. Ginning facilities are being expanded.

Because CFDT maintains close supervision of producers, cotton yields in Senegal are among the highest in West Africa—about 612 pounds of seed cotton per acre in 1969.

Part of the success in expanding cotton output is due to relatively high cotton prices. Assuming an average marketed yield per acre of 612 pounds, net income would be about $50 per acre, even though the producer price of first grade seed cotton was reduced by 15 percent to 4.6 cents per pound and of second grade seed cotton by 30 percent to 2.3 cents per pound for the 1969-70 marketing season. This income is nearly twice the return obtained from an acre of peanuts produced with reasonable efficiency. Cotton is likely to remain a very attractive diversification crop because peanut land in the higher rainfall areas can be shifted to it, although yield per acre will probably go down as cotton spreads to less productive areas.

Because of climate, rice is not grown widely in Senegal, although it is much in demand. Production is concentrated in the southern part of the country—the Casamance—where annual rainfall is the highest, and along the Senegal River in the north where irrigation is possible. Production has been increasing only slowly despite fairly intensive efforts by the Government in cooperation with several foreign assistance organizations. Following the poor 1968 crop of less than 100,000 tons, production recovered to about 120,000 tons of paddy in 1969.

A regional approach to increasing rice production in West Africa is being formulated through the West African Rice Development Association (WARDA), set up to coordinate efforts in 13 nations and supported by several inter-

Below, from left: harvesting peanuts, the mainstay of the Senegalese economy; a woman pounds millet.

national organizations and developed countries, including the United States.

Milled rice imports have averaged between 140,000 and 200,000 tons annually in recent years; 1969 imports amounted to 146,000 tons, valued at $18 million. Most of Senegal's rice imports are 100-percent broken kernels, less expensive than other kinds of rice. In 1969, Senegal imported other grains, valued at $13.7 million, including 85,000 tons of wheat, 42,000 tons of corn, and 39,000 tons of sorghum and millet. Imports of these grains were larger than normal in 1969, because of drought-reduced domestic production in 1968.

Another major agricultural import is sugar. Recently, sugar imports have been about 60,000 tons per year, valued at an average of $8 million. To conserve foreign exchange, the Government is encouraging domestic sugar production. A project covering 7,900 acres is planned as part of the Richard-Toll rice production scheme started by the French in the Senegal River delta, where rice production has not proved economical. This land will be converted from rice to sugarcane, and a sugar refinery will be built in the area. After deciding to undertake this project, Senegal announced its withdrawal from the Afro-Malagasy-Mauritian Common Organization (OCAM) sugar agreement. Senegal had been importing about 70 percent of its sugar from OCAM members, mainly the Malagasy Republic, at prices above the world market level.

Senegalese farmers traditionally divide their land equally between peanuts and other food crops, primarily sorghum and millet. Production of sorghum and millet in 1969 was estimated at 650,000 tons, up considerably from the drought-reduced crop of 425,000 tons in 1968. About 3 million acres, or three-fourths of all land in foodgrains, are planted to sorghum and millet. Since Senegal is generally self-sufficient in these crops, no great effort has been made to increase output.

U.S. trade with Senegal is limited because of Senegal's traditional ties with France and its association with the EC. Senegal imports very little rice from the United States on commercial terms, since U.S. rice is high quality and more expensive than other types. Total U.S. agricultural exports to Senegal amounted to $4.9 million in 1969; grains were the most important item. The United States has also supplied P.L. 480 commodities to relieve food shortages.

U.S. Soybean Market in Latin America

(Continued from Page 6)

June 1969. The country is now not only almost self-sufficient in vegetable oil production but having some utilization problems. Our cash market there in 1971 for an estimated 30 million pounds of cottonseed oil, 3 million pounds of soybean oil, and 1.5 million bushels of soybeans appears to rest on whether the Government decides to export part of the sesame crop or use it all domestically.

The sesame crop was produced at a high cost—$262 per ton. The alternative to exporting would be to use this high-priced oil in shortening and margarine—which is seldom done. U.S. cottonseed and soybean oils have an excellent quality reputation for these uses, and the industry is asking the Government to continue imports of them.

• **Colombia** has made considerable progress in its program for self-sufficiency in vegetable oil production. Plantation palm oil production has risen as high as 26,000 tons and now is increasing at more than 5,000 per year. Palm oil areas appear to offer far greater potential than is now being used, and production is expected to continue increasing.

With soybean production stepped up too, oil from domestically produced soybeans now amounts to 13,000 tons, and soybean oil imports from the United States have shrunk as a result. Production of cottonseed, the major source of Colombia's vegetable oil, is estimated as high as 270,000 tons for 1970—about double the 130,000 tons of 1962—for an oil output of about 40,000 tons.

Also of concern to our vegetable oil trade is Colombia's great potential for developing large crops of oilseeds such as peanuts and soybeans in its eastern lowlands. But this development appears to be 10 years or more away.

Colombia continues to import edible fish oil from Peru at the rate of around 30,000 tons a year for the production of compound shortening (Dutch lard); but the trade would like to see these imports discontinued.

• **Ecuador** will increase its palm oil production by 1,200 tons this year and by at least 500 tons next year. However, the development of the industry has been slow. Cottonseed production, the other main source of Ecuador's vegetable oils, is expected to drop; but sesame production is up.

The major U.S. problem in maintaining a market for soybean oil in Ecuador is price. Last year, one company bought 5,000 tons of soybean oil from Denmark at a price $30 to $40 under the U.S. level. U.S. sales totaled only about 4,000 tons. This year, with the U.S. price in line and trade terms better, the same company bought little oil from Denmark, and the U.S. total rose to 5,500 tons.

The increasing capacity of Ecuador's industry to deodorize and hydrogenate vegetable oils point toward the use of more vegetable oil and may open the door for more soybean oil from the United States. Also, the steps are being taken by the Government to stop the use of low-grade tallow and grease for edible purposes may increase the U.S. oil market.

• **Peru** produces large quantities of fish oil, but its only edible vegetable oil is cottonseed. Production is expected to be down slightly this year, to about 30,000 tons. Consumers have preferred sunflowerseed oil, but with this in short supply and high in price, the Government buying agency (SENCA) bought 10,000 tons of U.S. soybean oil and planned to buy an additional 12,000 tons this fall. Edible oil needs for the present fiscal year total 45,000 tons.

• **Chile** is short on vegetable oils this year as a result of a decline in the sunflowerseed crop and a general increase in per capita consumption. It will need to import over 30,000 tons; and COMARSA, the Government and industry buying agent, expects most of this to be bought from the United States. Though sunflowerseed oil is preferred in Chile, prices in Argentina are considerably above those of U.S. soybean oil. In addition to 20,000 tons of oil already bought, 10,000 will be bought later in the year. One lot of 5,000 was recently bought from Spanish crushers.

CROPS AND MARKETS SHORTS

Sugar and Tropical Products

Coffee Council Sets Quotas

The International Coffee Council, meeting in London in August, established initial export quotas for the 1970-71 coffee year (October-September) at 54 million bags of 60 kilograms each (133 lb.). Because of the concern of importing members that sharp increases in price might occur, the Council also provided for two additions to quota of 2 million bags each, to be distributed pro rata to all members should the composite price of the four main types of coffee remain at or above 52 cents per pound for a specified period of time.

The selectivity system, established some years ago, was also continued. Under this system, selective increases in quota, by type, may occur when the price of any given type of coffee exceeds the agreed-upon ceiling for 15 consecutive marketing days. Quotas may also be adjusted downwards should prices fall below certain levels.

On October 22, the initial quota of 54 million bags was increased to 56 million, inasmuch as the composite price had remained above the 52-cent trigger point for the required 15 marketing days. An additional 328,000 bags has also been distributed to Robusta producers and 542,000 bags to producers of Unwashed Arabicas (largely Brazil) since the prices of these two types had exceeded their respective ceilings for the required period.

Thus, as of the end of October, the total effective quota had reached 56,870,000 bags, an amount considered more than sufficient to supply the anticipated demand of the importing countries. The final quota for 1969-70 was 51,760,700 bags.

ISA Redistributes Sugar Shortfalls

The Executive Committee of the International Sugar Organization announced on October 20 the redistribution of shortfalls totaling 70,000 metric tons. This action was taken in accordance with Article 46 of the International Sugar Agreement, which requires each exporting member to keep the Council informed as to whether or not it expects to use all of its quota in effect and, if not, what part will not be used. Each exporting member is to make at least two notifications to the Council annually, the first no later than May 15 and the second no later than September 30. The total amount of shortfalls (against 1970 quotas) declared by member countries has amounted to 843,300 tons. Shortfalls totaling 125,000 tons had already been redistributed on July 17.

World sugar prices have strengthened in the past several months, in part because there has been only a partial redistribution of shortfalls. On October 9, the daily price of sugar reached 3.90 cents; it remained at this level for 5 consecutive marketing days. The Executive Committee concluded from this development that 70,000 tons of declared shortfalls should be redistributed among eligible exporting members. As a result of this action, slightly more than three-fourths of the shortfalls remain undistributed.

India Sets Up Sugar Commission

A Sugar Industry Inquiry Commission was recently established by the Government of India to examine sugar industry operations and problems in Uttar Pradesh and Bihar, looking toward possible nationalization. The Commission is composed of 10 members, headed by an ex-Chief Justice of a State High Court, and includes representatives of the cane growers' cooperatives, industry, and labor as well as Government officials and technical experts. The Commission's report should be available about August 1971, after which the Central Government may make a decision regarding nationalization of the sugar industry.

Grains, Feeds, Pulses, and Seeds

Weekly Rotterdam Grain Price Report

Current offer prices for imported grain at Rotterdam, the Netherlands, compared with a week earlier and a year ago, are as follows:

Item	Nov. 11	Change from previous week	A year ago
	Dol. per bu.	*Cents per bu.*	*Dol. per bu.*
Wheat:			
Canadian No. 2 Manitoba	2.11	−2	1.95
USSR SKS-14	(1)	(1)	1.77
Australian Prime Hard	(1)	(1)	1.85
U.S. No. 2 Dark Northern Spring:			
14 percent	2.12	−1	1.84
15 percent	2.18	+1	1.92
U.S. No. 2 Hard Winter:			
13.5 percent	2.00	0	1.77
Argentine	(1)	(1)	(1)
U.S. No. 2 Soft Red Winter	1.91	+4	1.52
Feedgrains:			
U.S. No. 3 Yellow corn	1.75	−2	1.43
Argentine Plate corn	1.89	−3	1.74
U.S. No. 2 sorghum	1.65	−5	1.45
Argentine-Granifero	1.69	−2	1.44
Soybeans:			
U.S. No. 2 Yellow	3.25	−1	2.74

[1] Not quoted.

Note: All quoted c.i.f. Rotterdam for 30- to 60-day delivery.

Cotton

U.S. Exports Less Cotton

U.S. exports of cotton (all types) amounted to 173,000 running bales in the first 2 months (August-September) of the 1970-71 season. This was 40 percent below the 288,000 bales exported in the same months of 1969-70.

Exports in September were 89,000 bales compared with 84,000 in August and 141,000 in September 1969. During the current season, exports are estimated at 3 million to 3.5 million bales compared with 2.8 million in 1969-70.

U.S. COTTON EXPORTS BY DESTINATION
[Running bales]

Destination	Year beginning August 1				
	Average			Aug.-Sept.	
	1960-64	1968	1969	1969	1970
	1,000 bales	*1,000 bales*	*1,000 bales*	*1,000 bales*	*1,000 bales*
Austria	23	0	0	0	0
Belgium-Luxembourg	121	30	19	4	1
Denmark	14	1	(1)	0	(1)
Finland	17	3	6	2	0
France	319	88	30	3	2
Germany, West	269	31	26	5	5
Italy	345	62	46	6	1
Netherlands	110	19	19	2	2
Norway	13	5	1	0	0
Poland	125	106	51	0	0
Portugal	21	8	2	2	0
Romania	2	0	46	0	0
Spain	74	5	4	(1)	0
Sweden	81	51	37	4	1
Switzerland	74	32	15	1	(1)
United Kingdom	244	48	38	3	6
Yugoslavia	112	54	0	0	0
Other Europe	15	7	4	1	1
Total Europe	1,979	550	344	33	19
Algeria	9	27	11	0	0
Australia	61	0	(1)	(1)	0
Bolivia	7	0	0	0	0
Canada	353	108	181	17	29
Chile	18	(1)	1	(1)	(1)
Colombia	3	(1)	(1)	0	0
Congo (Kinshasa)	6	0	0	0	0
Ethiopia	9	9	1	1	0
Ghana	1	17	27	2	2
Hong Kong	148	194	61	12	3
India	314	174	261	29	6
Indonesia	40	105	242	54	(1)
Israel	15	1	(1)	0	0
Jamaica	4	2	2	0	0
Japan	1,192	536	623	38	20
Korea, Republic of	261	447	455	52	55
Morocco	12	19	28	2	(1)
Pakistan	14	1	16	2	0
Philippines	123	119	146	5	8
South Africa	41	9	4	(1)	(1)
Taiwan	209	259	193	29	12
Thailand	34	66	54	1	3
Tunisia	2	0	5	0	0
Uruguay	6	0	0	0	0
Venezuela	8	(1)	(1)	0	3
Vietnam, South	46	62	99	9	11
Other countries	9	26	14	2	2
Total	4,924	2,731	2,768	288	173

[1] Less than 500 bales.

Fruits, Nuts, and Vegetables

Large Pineapple Crop in Ivory Coast

The Ivory Coast reports a larger 1970 pineapple crop. Production is estimated at 159,800 short tons, 62 percent above the 99,500 tons produced in 1969. Reports indicate that a larger portion of the crop was processed for canned pineapple and pineapple juice.

UTILIZATION OF PINEAPPLE IN THE IVORY COAST

Item	1969	1970[1]
	Short tons	*Short tons*
Local consumption	7,200	7,700
Fresh exports	14,700	18,700
Canned and juice	77,600	133,400
Total	99,500	159,800

[1] Estimated.

Turkey's Pistachio Estimate Revised

Turkey's 1969 pistachio crop has been placed at 2,000 short tons (inshell basis), 2,000 tons below previous estimates. Forecasts place 1970 production at 14,000 tons, 7 percent below the 1961 record of 15,000 tons.

Exports during the 1968-69 season totaled 3,753 tons compared with 3,046 tons in 1967-68. Shipments for the 1969-70 season are placed at 1,600 tons. The United States is Turkey's largest buyer of unshelled pistachios, and West Germany is the leading market for shelled nuts.

The following are the 1970 minimum export prices (f.o.b.) for pistachios:

	Dol. per ton
Unshelled, in sacks	998
Shelled, green, in jute sacks	2,722
Shelled, pink, in sacks	2,268
Shelled, yellow, in sacks	1,996

Smaller West German Canned Fruit Pack

Smaller cherry and plum crops cut 1969 West German production of canned deciduous fruit. The 1969 pack is estimated at 3.6 million cases (45-pound basis), 15 percent below the 1968 total of 4.3 million cases. Canned plum and prune production totaled 759,000 cases, or slightly more than half the 1968 output. The RSP, or tart, cherry pack

WEST GERMAN PRODUCTION OF CANNED DECIDUOUS FRUIT

Item	1967	1968	1969
	1,000 cases[1]	*1,000 cases*[1]	*1,000 cases*[1]
Sliced apples and applesauce	1,912	1,618	1,830
Plums and prunes	364	1,481	759
Cherries[2]	544	839	660
Sweet cherries	182	193	177
Pears	10	15	17
Peaches	12	8	6
Apricots	5	8	5
Other[3]	180	149	189
Total	3,209	4,311	3,643

[1] Case holds 45 lb. [2] RSP, or tart. [3] Represents mostly production of small producers and also includes production of mixed fruit.

was reported at 660,000 cases, or 21 percent below 1968. Production of sliced apples and applesauce increased 13 percent, totaling 1.8 million cases.

Netherlands Prices of Canned Fruits, Juices

Quotations represent wholesale offering prices on a landed-weight basis, including the sugar-added levy but excluding the value-added tax.

Type and quality	Size of can	Price per dozen units Sept. 1969	July 1970	Oct. 1970	Origin
CANNED FRUIT		*U.S. dol.*	*U.S. dol.*	*U.S. dol.*	
Apricot halves:					
Heavy syrup	2½	—	—	3.25	Greece
Not specified	500 gr.	1.79	1.76	1.66	Spain
Cherries, sweet, not pitted:					
Not specified	1 kg.	4.97	4.97	4.97	Italy
Fruit cocktail:					
Choice, heavy syrup	2½	5.07	—	5.64	U.S.
Do	2½	—	—	5.24	Australia
Choice, light syrup	2½	4.87	4.71	5.44	U.S.
Peaches, clingstone:					
Choice, heavy syrup	2½	4.21	—	4.57	U.S.
Do	8 oz.	1.96	1.96	2.09	U.S.
Standard, light syrup	2½	3.78	—	4.24	U.S.
Do	2½	—	3.71	3.85	Australia
Pineapple slices:					
Choice, heavy syrup	30 oz.	3.71	3.98	4.01	Taiwan
Choice, light syrup	2½	—	4.04	4.18	So. Africa
Pineapple crush:					
Fancy	10	9.91	10.44	10.94	So. Africa
CANNED JUICES					
Orange, unsweetened	[1] 32 oz.	—	4.94	4.94	U.S.

[1] Packed in glass bottles.

Livestock and Meat Products

U.S. Meat Imports Down in September

U.S. meat imports subject to the Meat Import Law during September 1970 totaled 107.6 million pounds, 11.4 percent below the September 1969 quantity of 121.4 million. Imports for January-September this year, at 911.1 million pounds, were 6.6 percent above the 855 million imported in the same period a year earlier.

Reduced entries for consumption from Australia, New Zealand, Mexico, Costa Rica, Guatemala, Honduras, the Dominican Republic, the United Kingdom (Northern Ireland), and Haiti more than offset larger imports from Canada, Ireland, Nicaragua, and Panama. Imports from the largest supplier—Australia—totaled 60 million pounds. New Zealand followed with 19.7 million pounds, Ireland with 8.3 million, Canada with 6.6 million, and Mexico with 5.3 million.

U.S. IMPORTS OF MEAT
SUBJECT TO MEAT IMPORT LAW, BY KIND

Imports	September	January-September
	Million pounds	*Million pounds*
1970:		
Subject to Meat Import Law [1]	107.6	911.1
Total beef and veal [2]	133.9	1,034.1
Total red meat [3]	164.4	1,387.8
1969:		
Subject to Meat Import Law [1]	121.4	855.0
Total beef and veal [2]	134.2	947.1
Total red meat [3]	171.4	1,277.4
1968:		
Subject to Meat Import Law [1]	115.5	767.5
Total beef and veal [2]	130.2	847.9
Total red meat [3]	169.2	1,178.5

[1] Fresh, chilled, and frozen beef, veal, mutton, and goat meat. [2] All forms, including canned and preserved. [3] Total beef, veal, pork, lamb, mutton, and goat.

U.S. IMPORTS OF MEAT
SUBJECT TO MEAT IMPORT LAW,[1] BY COUNTRY

Country of origin	September 1969	September 1970	January-September [2] 1969	January-September [2] 1970	Change from 1969 Jan.-Sept.
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*Percent*
Australia	62,623	59,973	450,333	462,918	+2.8
New Zealand	27,946	19,678	175,480	168,500	−4.0
Mexico	7,202	5,319	48,219	63,549	+31.8
Canada	3,365	6,584	27,618	57,664	+108.8
Ireland	7,955	8,315	43,996	48,057	+9.2
Nicaragua	3,398	3,457	30,494	32,906	+7.9
Costa Rica	1,061	779	26,832	27,432	+2.2
Guatemala	3,229	2,462	19,410	21,100	+8.7
Honduras	2,418	84	15,548	14,733	−5.2
Panama	—	486	2,544	5,011	+97.0
Dominican Republic	888	359	8,991	4,865	−45.9
United Kingdom	1,202	—	4,559	3,410	−25.2
Haiti	140	106	957	986	+3.0
Total	121,427	107,602	854,981	911,131	+6.6

[1] Fresh, frozen, and chilled beef, veal, mutton, and goat meat. Excludes canned beef and other prepared or preserved beef products, but includes meat rejected for consumption. [2] Rejections for January-September 1970 totaled 12.9 million lb., compared with 11 million for the same period in 1969.

Crops and Markets Index

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250

PENALTY FOR PRIVATE USE, $300
OFFICIAL BUSINESS

United States Department of Agriculture
POSTAGE & FEES PAID

Tobacco

Tobacco Imports Down in September

U.S. imports of unmanufactured tobacco for consumption (duty-paid withdrawals from Customs' bonded warehouses for manufacture) were 15.4 million pounds in September 1970, compared with 16.8 million pounds in the same month of 1969. The imports were valued at $9.4 million, about 8 percent less than in September 1969. Most categories of leaf were down in quantity and value for the month.

Cumulative imports for January-September, however, continued to exceed those for the same period a year ago. The total quantity reached 165.2 million pounds, valued at $97.2 million, compared with 158.1 million pounds for $97 million a year ago. Cigarette leaf (flue-cured and burley) continued to be up substantially and reached 7.6 million pounds, nearly double the level of a year ago. Scrap filler also continued to be up about 17 percent. "Cigarette leaf, other" (mostly oriental leaf from Turkey and Greece), the major kind of imported tobacco, was lagging about 3 percent.

U.S. IMPORTS OF UNMANUFACTURED TOBACCO

Period and kind	1969		1970	
	Quantity	Value	Quantity	Value
	1,000	*1,000*	*1,000*	*1,000*
January-September:	*pounds*	*dollars*	*pounds*	*dollars*
Cigarette leaf (flue & burley)	3,972	1,364	7,573	1,999
Cigarette leaf, other	108,041	73,608	104,401	70,588
Cigar wrapper	341	1,224	487	2,073
Mixed filler & wrapper	284	1,191	195	834
Cigar filler, unstemmed	1,874	1,611	2,523	1,981
Cigar filler, stemmed	1,883	2,467	2,114	2,735
Scrap	40,728	15,305	47,591	16,962
Stems	981	190	318	17
Total	158,104	96,960	165,202	97,189
September:				
Cigarette leaf (flue & burley)	247	68	59	15
Cigarette leaf, other	11,043	7,451	10,477	7,086
Cigar wrapper	39	155	60	269
Mixed filler & wrapper	12	67	8	32
Cigar filler, unstemmed	93	141	90	116
Cigar filler, stemmed	199	234	184	237
Scrap	5,137	2,070	4,256	1,652
Stems	24	1	229	15
Total	16,794	10,187	15,363	9,422

Bureau of the Census.

Fats, Oils, and Oilseeds

Greek Olive Crop Up

Greece's 1970 olive crop (for pressing in 1970-71) is expected by reliable trade sources to reach 200,000 metric tons, a rebound from last year's outturn of 150,000 tons. (The official Greek estimate is somewhat higher.) Last year's low production was due to dry weather during the fall months and to the fact that it was the off year for the olives which normally produce in a biennial cycle of good and bad crops.

The 1970 crop, 33 percent larger than last year's, is expected to cover domestic requirements, add slightly to yearend stocks, allow for the export of brand-name canned olive oil, and to repay a portion of the oil borrowed from Spain during the current year.

A recent crop estimate by the Greek Ministry of Agriculture reveals that output in most of the major olive-producing areas is expected to be higher than last year's. The one exception is Crete.

One development which may have a harmful effect on future Greek olive crops is the planting of dwarf olive trees as replacements for nonproducing or marginal trees. Dwarf trees require regular thinning. Some Greek horticulturists feel that the prescribed thinning methods will not be followed and that yields from the dwarf trees may drop.

Olive oil imports into Greece during 1969-70 are estimated at 15,000 tons. All of this was oil borrowed from Spain to dampen the price increases which resulted from the short 1969 crop. It is to be returned in kind during the next 2 years. Exports of olive oil totaling about 2,000 tons in 1969-70, should range from 10,000 to 20,000 tons in 1970-71.